POSTAL SERVICE

39 CFR Part 111

eInduction Option, Seamless Acceptance Program, and Full-Service Automation Option, Verification Standards

AGENCY: Postal Service™.

ACTION: Proposed rule.

SUMMARY: The Postal Service is proposing to amend *Mailing Standards of the United States Postal Service,* Domestic Mail Manual (DMM®), sections 705.20, *eInduction Option*, 705.22, *Seamless Acceptance Program*, and 705.23, *Full-Service Automation Option*, to add the verification standards.

DATES: Submit comments on or before [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Mail or deliver written comments to the manager, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. If sending comments by email, include the name and address of the commenter and send to *ProductClassification@usps.gov*, with a subject line of "Verification Standards". Faxed comments are not accepted. You may inspect and photocopy all written comments, by appointment only, at USPS® Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor North, Washington, DC, 20260. These records are available for review on Monday through Friday, 9 am - 4 pm, by calling 202-268-2906.

FOR FURTHER INFORMATION CONTACT: Heather Dyer at (207) 482-7217, or Garry Rodriguez at (202) 268-7281.

SUPPLEMENTARY INFORMATION:

The Postal Service is proposing to amend DMM sections 705.20, *eInduction Option*, 705.22, *Seamless Acceptance Program*, and 705.23, *Full-Service Automation Option*, to add the applicable verification descriptions, error thresholds, and postage assessments, standards. These standards have been made available to the public via Publication 6850, *Publication for Streamlined Mail Acceptance for Letters and Flats,* available at *https://postalpro.usps.com,* which also contains additional information on the verification processes.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Although we are exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rulemaking by 39 U.S.C. 410(a), we invite public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. *See* 39 CFR 111.1. Accordingly, 39 CFR part 111 is proposed to be amended as follows:

PART 111 — [AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States*

Postal Service, Domestic Mail Manual (DMM), as follows:

Mailing Standards of the United States Postal Service, Domestic Mail

Manual (DMM)

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700 Special Standards

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705 Advanced Preparation and Special Postage Payment Systems

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705.20.0 eInduction Option

20.1 Description

[Revise the fourth sentence of 20.1 to read as follows:]

*** For additional information on the eInduction Option see Publication 6850,

Publication for Streamlined Mail Acceptance for Letters and Flats, available at

https://postalpro.usps.com.

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[Add new subsection 20.5, Verifications, to read as follows:]

20.5 Verifications

The six eInduction option verification descriptions, error thresholds, and postage

assessments, are provided in 20.5.1 through 20.5.6.

20.5.1 Undocumented (Extra) Containers Verification

An Undocumented Container error occurs when a scanned IMcb is not found in

an eDoc, or is included in an eDoc and associated to a postage statement in

estimated (EST) status. Containers will be flagged as Undocumented 10 days

after the scan unload date/time if no eDoc has been uploaded or if the postage statement is still in EST status. The threshold is 0%. All errors will be subject to an assessment amount of the average postage paid for each container mailed by the eDoc submitter CRID over the current invoice period to the eDoc submitter CRID or CRID tied to the MID contained within the IMcb.

20.5.2 Payment Verification

All containers must be linked to a finalized postage statement in eInduction to verify payment. The error threshold is 0%. Payment verification errors are logged when a scanned and accepted eInduction container is associated with a postage statement that is not in FIN or FPP status at the time of scanning. Containers above the error threshold will be subject to an assessment amount equal to the containers eDoc postage amount as indicated on the non-finalized postage statements. For payment errors logged on physical siblings of logical containers, the full postage of the logical container is charged to the first physical sibling container scanned. Any additional scans among other physical siblings will log errors, but will not result in an additional charge. Assessments will be logged against the eDoc submitter CRID.

20.5.3 Duplicate Verification

eInduction requires IMcbs to remain unique for 45 days. The error threshold is 0.17%. Duplicate errors are logged when an IMcb is scanned and accepted during more than one FAST appointment in the previous 45 days. Though a duplicate error will not be logged if the duplicate scan takes place within 5 hours of the original scan. Errors above the threshold are subject to an assessment

amount equal to the average postage paid for each container mailed by the eDoc submitter CRID over the invoice period.

20.5.4 Misshipped Verification

Containers claiming a destination entry discount must be delivered to the correct entry locations per the active version of the Mail Direction File. The error threshold is 1.05%. Misshipped errors are logged when the container is scanned at an incorrect entry location, per the Mail Direction File. Errors over the threshold are subject to an assessment amount equal to the difference between the eDoc postage claimed, and the correct postage amount for the container. For misshipped errors logged against physical siblings of logical containers, postage is recalculated on the logical container, and divided by the number of physical siblings. This amount is then applied to each physical sibling in error to the eDoc submitter CRID.

20.5.5 Zone Discount Verification

Pieces claiming a Zone Discount must be entered at the valid facility. The error threshold is 0.01%. Zone Discount errors are logged when the Zone Discount claimed in the eDoc is a lower entry zone than the zone calculated between the location where the container was entered, and the eDoc destination. Errors above the threshold are subject to an assessment amount equal to the difference between the eDoc postage claimed, and the correct postage amount for the container. For containers claiming a non-numeric Zone Discount in the eDoc, correct postage amount is calculated using the piece rate for the Entry Discount that is valid at the actual entry point for the mail class, shape, weight, mail prep,

and presort identified in the eDoc. For Zone Discount errors logged against physical siblings of logical containers, postage is recalculated on the logical container, and divided by the number of physical siblings. This amount is then applied to each physical sibling in error to the eDoc submitter CRID.

20.5.6 Entry Point Discount (EPD) Verification

eInduction pieces are required to be entered at a valid facility when claiming a destination entry discount. The error threshold is 0.5%. EPD errors are logged when one or more pieces on a container claim an entry discount level that is not available at the location where the container was entered. Errors above threshold are subject to an assessment amount equal to the difference between the eDoc postage claimed and the correct postage amount for the container. For EPD errors logged against physical siblings of logical containers, postage is recalculated on the logical container, and divided by the number of physical siblings. This amount is then applied to each physical sibling in error to the eDoc submitter CRID.

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705.22.0 Seamless Acceptance Program

22.1 Description

[Revise the second sentence of 22.1 to read as follows:]

*** For additional information, on the Seamless Acceptance Program see Publication 6850, *Publication for Streamlined Mail Acceptance for Letters and Flats,* available at *https://postalpro.usps.com.*

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[Add new subsection 22.4, Verifications, to read as follows:]

22.4 Verifications

The five seamless acceptance program verification descriptions, error thresholds, and postage assessments, are provided in 22.4.1 through 22.4.5.

22.4.1 Undocumented (Piece) Verification

An Undocumented error is logged when the IMb gathered during sampling or MPE scan cannot be linked to any eDoc submitted within the last 45 days. The error threshold is 0.3%. Pieces above the error threshold will be subject to an assessment amount equal to the average piece rate by mail class and CRID for the assessment month.

22.4.2 Delivery Point Verification

A valid delivery point must be provided in the piece IMb. The error threshold is 2%. Delivery Point errors are logged when the delivery point provided in the eDoc is either not valid, or contains a generic +4 information with an address record type that is not General Delivery. Errors above the threshold are subject to an assessment amount equal to difference between the eDoc piece postage and correct postage amount.

22.4.3 Nesting/Sortation (MPE) Verification

A Nesting/Sortation error is logged when the piece scanned is nested in a different tray or bundle than the tray or bundle that was identified in the eDoc. The error threshold is 1%. Errors above this threshold are subject to an assessment amount equal to the difference between the eDoc piece postage and the correct postage amount.

22.4.4 General Postage Adjustment Factor Verification

The Postage Adjustment Factor (PAF) is a method to apply an error rate determined from handheld scanner samplings to the entire population of mailings within a calendar month. PAF is calculated on a monthly basis and measures the difference between the correct postage and the postage paid, expressed as a ratio of the correct postage due to the sum of eDoc postage for the sampled pieces. General PAF is used for errors in postage and weight verifications. The General PAF threshold is 1.05. A mailer will only be subject to an assessment when the eDoc submitter has exceeded the PAF threshold in the current billing month and three or more times in the previous 11 billing months. The General PAF is applied to the total monthly eDoc postage for the eDoc submitter and assessments are issued to the eDoc submitter.

22.4.5 Mail Characteristic Postage Adjustment Factor Verification

The Mail Characteristic, Postage Adjustment Factor (PAF), is used for errors in the processing category, mail class, nonprofit eligibility and content. The threshold is 1.05. A mailer will only be subject to an assessment when the eDoc submitter has exceeded the Mail Characteristic PAF threshold in the current billing month and three or more times in the previous 11 billing months. The Mail Characteristic PAF is applied at the eDoc Submitter CRID level and is calculated using the adjusted and eDoc postage attributed to the Mail Owner.

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705.23.0 Full-Service Automation Option

23.1 Description

[Revise the second sentence of 23.1 to read as follows:]

*** For additional information on the full-service automation option see Publication 6850, *Publication for Streamlined Mail Acceptance for Letters and Flats,* available on PostalPro at *http://postalpro.usps.com.*

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[Add new subsection 23.6, Verifications, to read as follows:]

23.6 Verifications

The six full-service verification descriptions, error thresholds, and postage assessments, are provided in 23.6.1 through 23.6.6.

23.6.1 Mailer Identification (MID) Verification

The MID is a code used for identification of mail's responsible party. A valid MID is one that is registered within the Postal Service systems and provided in the eDoc. The error threshold is 2%. Errors over the threshold will be subject to an assessment amount equal to the removal of the full-service discount claimed for each piece in error above the threshold.

23.6.2 Service Type ID (STID) Verification

The STID is a three-digit code included in the IMb for a mailpiece to provide mail class and service level. The error threshold is 2%. Errors over the threshold will be subject to an assessment amount equal to the removal of the full-service discount claimed for each piece in error above the threshold.

23.6.3 By/For Verification

The By/For relationship recognizes the Mail Owner and Mail Service Provider in the eDoc. The error threshold is 5%. An error occurs when a valid Mail Preparer

is not identified, a valid Mail Owner is not identified, Mail Preparer is incorrectly recorded as the Mail Owner, or the Mail Owner is incorrectly identified as the Mail Preparer. Errors above the threshold are subject to an assessment amount equal to the removal of the full-service discount claimed for each piece in error above the threshold.

23.6.4 Barcode Uniqueness Verification

Barcode uniqueness is met when a barcode is unique across all mailers and mailings for 45 days. The error threshold is 2%. Errors occur when the IMcb, IMtb or IMb is not unique across all mailings from all mailers over the previous 45 days of the postage statement mailing date that was provided in the eDoc. Errors above the threshold are subject to an assessment equal to the removal of the full-service discount claimed for each piece in error above the threshold.

23.6.5 Entry Facility Verification

The entry facility location must be identified in the eDoc by a Locale Key or ZIP Code. The error threshold is 2%. Errors above the threshold are subject to an assessment amount of the full-service discount claimed for each piece in error above the threshold.

23.6.6 Unlinked Copal Verification

Mailings that will be copalletized must be identified in the original eDoc submission and properly documented within 14 days of the mailing date to link trays or sacks to the container. The error threshold is 5%. Errors above the threshold are subject to an assessment amount equal to the full-service discount claimed.

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If the proposal is adopted, we will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

Stanley F. Mires,

Attorney, Federal Compliance.

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